

# Modern Slavery Statement

Arcmont Asset Management Limited

June 2022

## Introduction

This Modern Slavery Statement (“Statement”) is made by Arcmont Asset Management Limited (“Arcmont”) which is authorised and regulated by the UK Financial Conduct Authority (FCA) for the financial year ending 31 December 2021, pursuant to Section 54 of the Modern Slavery Act 2015 (“MSA”).

## Business Structure

Arcmont is a leading Private Debt asset management firm, providing flexible capital solutions to a wide range of businesses across Europe. Arcmont has raised €21 billion to date across three private debt strategies. Arcmont is incorporated in the UK and headquartered in London, however, we operate additional offices in the USA, France, Germany, Spain, Sweden and Italy. Our team consists of ca.90 full-time employees. In support of our core functions, Arcmont also outsources certain activities to other firms as part of the everyday course of business. This primarily consists of professional services firms, such as external consultants, lawyers, accountants and data providers. Additionally, we may engage suppliers for additional requirements including business supplies, stationery, IT hardware, graphic design and catering services.

## Policies and Governance

The responsibility for identifying, monitoring, and managing Modern Slavery risks belongs to the Arcmont ESG Committee. The ESG Committee is responsible for any updates and revisions to policies covering Modern Slavery. This includes our ESG Investment Risk Policy which addresses our approach for screening, monitoring, and engaging on human rights and Modern Slavery risks as part of our broader ESG integration framework.

All policies and processes are reviewed and updated at least annually, to ensure alignment with best industry practice and Arcmont’s internal procedures.

## Risk Assessment

Arcmont views this Statement as an opportunity to review the way we interact with our clients and suppliers, and also how we manage our investments. We endeavour to engage in the highest possible standards of responsible business and are committed to ensuring there are no incidents of Modern Slavery in any of our business dealings.

### a) Firm-Level

Given the nature of our operations and suppliers, Arcmont considers our risk of exposure to Modern Slavery at the firm level as low. However, we cannot rule out the possibility of indirect exposure to high-risk sectors through our suppliers’ supply chains, particularly in the manufacturing sector.

### b) Investment-Level

We acknowledge that as an asset manager, it is important to consider Modern Slavery exposure in the area where we have the potential to make the most impact - our investments. Generally, Arcmont’s investment strategy does not expose us to sectors that are deemed at high risk of human rights and Modern Slavery abuses according to the UN Guidance on Human Rights for the Financial Sector. However, we do expect some sectoral exposure, given the breadth of our investments, and particularly within the supply chains of our portfolio companies. Overall, we consider our exposure to Modern Slavery risks in our investments as low.

## Due Diligence

### a) Firm-Level

Arcmont continually reviews and monitors practices around employment to ensure we promote an open, fair, and inclusive culture free of all types of discrimination. Arcmont has a zero-tolerance approach in relation to harassment as documented in our Equal Opportunities, Harassment and Discrimination Policy.

### b) Investment-Level

Arcmont's investment team is required to comply with Arcmont's ESG Investment Risk Policy which describes our approach to incorporating non-financial factors into the investment process, including human rights and Modern Slavery. This is implemented in our pre-investment process through our Exclusions Policy, which includes reference to human rights violations and labour standards as outlined by the principles of the UN Global Compact. If risks are identified, either pre- or post-investment, the investment teams will either decide not to invest, or if considered less material, will ensure these risks are monitored throughout the life of an investment.

In certain instances, engagement with portfolio companies may occur to influence practices, should Arcmont feel material Modern Slavery risks could be better managed by the company. Arcmont may also initiate dialogue with borrowers on matters resulting from an external event or development that could impact the Modern Slavery risk profile of the company. We may conduct such activities on an individual basis, and/or work in collaboration with other investors or key stakeholders. Whilst this engagement can be carried out directly with borrowers, Arcmont may also consider indirect approaches (e.g., engaging on policies that promote transparency) if applicable to the specific circumstances.

## Performance and Ongoing Commitments

At Arcmont, we continuously monitor the progress and effectiveness of our efforts in combating Modern Slavery and complying with applicable laws and regulations. We track performance indicators to assess how we are doing in relation to Modern Slavery risks across all areas of our business.

### a) Current Performance

#### **Modern Slavery incidents identified in the previous financial year**

To date, Arcmont has not identified any incidents of Modern Slavery in our firm, suppliers or any of our investments.

### b) Future Performance Enhancements

#### **Percentage of employees who will receive training on Modern Slavery**

In 2022, we will provide mandatory training on Modern Slavery to all employees and plan to hold training each year going forward.

#### **Identifying Incidents of Modern Slavery**

We plan to enhance our supplier due diligence process to assess the modern slavery risks of our suppliers. We will undertake further due diligence in relation to those suppliers we deem high risk.

Should any concerns about Modern Slavery risks and incidents arise (both at the firm-level and investment-level), they will immediately be reported to and managed by the Arcmont ESG Committee and the Arcmont Board of Directors. We take a firm stance on being committed to continually improving our approach to preventing and combating Modern Slavery in our business and operations.

## Approval

This Statement has been approved by the Arcmont Board and will be reviewed and updated annually to reflect Arcmont's ongoing commitment to preventing Modern Slavery.

This Statement is signed by Nathan Brown, Chief Operating Officer of Arcmont Asset Management Limited.

Signature: 

Nathan Brown  
Chief Operating Officer  
June 2022

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